

VZCZCXR05348
PP RUEHDE
DE RUEHAD #0288/01 0291319
ZNY CCCCC ZZH
P 291319Z JAN 06
FM AMEMBASSY ABU DHABI
TO RUEHC/SECSTATE WASHDC PRIORITY 3294
INFO RUEHZM/GULF COOPERATION COUNCIL COLLECTIVE
RUEHDE/AMCONSUL DUBAI 5760
RHEHNSC/NSC WASHDC
RUEAIIA/CIA WASHDC
RUEATRS/DEPT OF TREASURY WASHINGTON DC
RUEKJCS/CJCS WASHINGTON DC
RHEFDIA/DIA WASHDC
RHWSMRC/MCF01 SACS USCINCCENT MACDILL AFB FL
RUEKJCS/SECDEF WASHINGTON DC//OSD/ISA/NP//
RUEKJCS/SECDEF WASHINGTON DC//OSD/ISA/NESA//
RUEKJCS/SECDEF WASHINGTON DC//OSD/ISA/AP//
RUEKJCS/SECDEF WASHINGTON DC//OSD/ISA/BTF//
RUEKJCS/SECDEF WASHINGTON DC//OSD/ISA/PA&E//
RHMFSS/COMUSCENTAF SHAW AFB SC
RHRMDAB/COMUSNAVCENT

C O N F I D E N T I A L SECTION 01 OF 10 ABU DHABI 000288

SIPDIS

SIPDIS

STATE FOR PM/SNA AND NEA/ARPI

E.O. 12958: DECL: 01/28/2016

TAGS: PREL MCAP MARR MASS AE

SUBJECT: 2005/2006 REPORT TO CONGRESS ON ALLIED
CONTRIBUTIONS TO THE COMMON DEFENSE: UAE SUBMISSION

REF: 05 STATE 223383

ABU DHABI 00000288 001.2 OF 010

Classified By: AMBASSADOR MICHELE J. SISON, REASONS 1.4 (B) AND (D).

SUMMARY/INTRODUCTION

11. (U) The UAE in 2004 and 2005 continued its outstanding record as a valuable strategic partner in the Global War on Terrorism and in supporting key U.S. regional strategic policy goals. Among the highlights of the UAE's contributions to the common defense are:

-- (C) Providing basing for USAF aerial refueling, intra-theater lift, and Intelligence, Surveillance, and Reconnaissance assets in support of Operation Enduring Freedom (OEF), Operation Iraqi Freedom (OIF), and Operation Horn of Africa (HOA);

-- (U) Providing other logistical and non-combat support for OEF, OIF, and HOA;

-- (C) Hosting U.S. Navy logistical operation in support of the Fifth Fleet;

-- (C) Hosting the U.S. sea services at Jebel Ali Port (Dubai) and at Fujairah, with Jebel Ali being the premier naval refurbishment port in the region, perhaps the world. Not only are expert repairs and services readily available to the fleet, but Dubai offers Marines and Sailors unique liberty opportunities rarely found in other locations around the world;

-- (C) Providing facilities and forces for direct action outside the UAE in support of OEF;

-- (U) Direct sharing in costs of U.S. deployments to the amount estimated at approximately \$12.6 million;

-- (U) Indirect sharing of costs estimated at approximately \$532.2 million;

-- (U) Maintaining an important defense sales relationship with the USG;

-- (U) Donating \$100 million in cash to the U.S. for Hurricane Katrina relief and the same amount for tsunami relief operations;

-- (U) Providing significant in-kind humanitarian assistance to the victims of the Pakistan earthquake as well as \$100 million in cash assistance to the Pakistani government, and pledging another \$100 million at the Islamabad donors conference. (Note: \$5.2 million of the humanitarian assistance was designated for repairs to the Pakistan Army's MI-17 helicopters. End note.) In addition, setting up a field hospital in Pakistan and providing an air bridge to provide further supplies; providing the use of the Fujairah port facility for the USS Pearl Harbor to load over 350 pallets worth of relief supplies collected by the Pakistan Embassy and the UAE Red Crescent Authority (RCA) worth more than \$350,000;

-- (U) In August 2005, committing \$100 million to build Sheikh Khalifa City, a new Palestinian housing complex in the Gaza Strip;

-- (SBU) Hosting numerous high-level military and civilian delegations, including, Chairman of the Joint Chiefs of Staff, General Richard Myers; Chairman of the Joint Chiefs of Staff, General Peter Pace; USCENTCOM Commander General John Abizaid; Air Force Secretary James Roche; Chief of Staff of the Air Force General John Jumper; Chief of Staff of the Air

ABU DHABI 00000288 002.2 OF 010

Force, General T. Michael Moseley; USNAVCENT Commander, Vice Admiral Patrick Walsh; ACC Commander, General Ronald Keys; Deputy Under Secretary of the Air Force, International Affairs, Bruce Lemkin; and Assistant Secretary of Defense for International Security Affairs, Peter Rodman (head of the first Joint Military Commission in January 2005). Also, the Senior Advisor to the Secretary of State and Coordinator for Iraq, Ambassador James Jeffrey; U.S. Ambassador to Iraq, Zalmay Khalilzad; U.S. Secretary of Energy, Samuel Bodman; former Under Secretary for Arms Control and International Security John Bolton; Under Secretary for Arms Control and International Security, Robert Joseph; former Coordinator for Counter Terrorism, Cofer Black; former Assistant Secretary for Political-Military Affairs, Lincoln Bloomfield; former Assistant Secretary for Near Eastern Affairs William Burns; Homeland Security and Counter Terrorism Advisor, Fran Townsend.

GENERAL ASSESSMENT: POLITICAL DEVELOPMENTS

12. (U) Domestic political circumstances in the UAE have seen significant changes over the past two years. The UAE's loose federal structure, under the leadership of President Khalifa bin Zayed al-Nahyan, remains stable and there are no internal or external opposition groups. President Khalifa succeeded his father, the late Sheikh Zayed bin Sultan al-Nahyan, in November 2004. Mohammed bin Zayed succeeded Khalifa as Crown Prince of Abu Dhabi Emirate, while Lt. General Hamad Mohamed Thani al-Rumaithi succeeded Mohammed bin Zayed as Armed Forces Chief of Staff. Hamdan bin Zayed al-Nahyan remains the de facto Foreign Minister and Deputy Prime Minister. The federal Cabinet of Ministers was overhauled in November 2004, including mergers of some ministries and the first-ever appointment of a woman (as Minister of Economy and Planning). In November 2005, President Khalifa announced that half the members of the Federal National Council (FNC) would be elected by persons

appointed by the rulers. The President further announced that this was a first step toward eventual direct elections of a legislative body, and he also promised amendments to the constitution that would give the FNC greater powers.

¶3. (U) In regional and international affairs, the UAE continued to demonstrate its unequivocal support for the Global War on Terrorism. The UAE played a critical role in assisting the continuing investigation into the 9/11 attacks and provided financial documents pertaining to the movement of terrorist funds. The UAE Government implemented a law to criminalize money laundering, to include terrorist financing, in January 2002. In June 2004, the UAE passed a law to combat terrorist crimes, strengthening its legal ability to combat the financing of terrorism. Since 2000, the UAE Central Bank has frozen a total of \$1,348,381 in 17 accounts in response to UN 1267 sanctions. The UAE implemented the anti-terrorism financing regulations passed by the UN Security Council. In December 2005, the Supreme Council, the top policy making body in the country, decided to place all security agencies under a newly established National Security Council. Cooperation across the board -- from the financial realm through to military, security and intelligence -- has been strong and sustained. The UAE provided logistical support for non-combat operations related to OEF and OIF. The UAE also undertook several security measures along its land border and at sea to deter terrorists from reaching UAE soil.

¶4. (U) The UAE remains committed to cooperation with other GCC States. The UAE commitment to Peninsula Shield had been one full mechanized brigade, until the GCC took the decision in late 2005 to dismantle the force. The UAE has continued to back GCC policies on Iran and Iraq. The UAE's economic and trade relations with Iran continued to grow, but there

ABU DHABI 00000288 003.2 OF 010

was no change in political relations, which remain strained. The UAE's attention remains focused on the contested Abu Musa and Tunb Islands, occupied by Iran but claimed by both Iran and the UAE. The UAE continues to take the lead within the GCC in expressing concern about Iran's support for terrorism, its military build-up, pursuit of weapons of mass destruction, and interference in the internal affairs of other countries in the region. The UAE publicly condemned terrorist attacks in Iraq, Saudi Arabia, Jordan, and the United Kingdom while offering a strong public show of support for Iraq's interim government and political process.

¶5. (C) The UAE permitted the basing of USAF tankers in support of OEF, OIF, and HOA.

GENERAL ASSESSMENT: ECONOMIC DEVELOPMENTS

¶6. (U) The UAE is a confederation of seven emirates. Individual emirates retain considerable control over legal and economic matters, most significantly over ownership and disposition of oil and other natural resources, and resultant revenues. Oil production and revenues from the sale of oil constitute the largest single component of GDP, accounting for 39.7 percent of GDP and equaling roughly 40 percent of exports and 90 percent of government revenue. Rising or declining oil prices have a direct effect on GDP statistics.

¶7. (U) The great majority of the UAE's oil export income comes from Abu Dhabi emirate, though Dubai and Sharjah also produce and export a modest amount of oil and gas products. The scarcity of oil and gas reserves in the UAE's northern emirates has led to continued attempts at economic diversification. The non-oil sector of the UAE's economy actually accounts for more than twice the oil sector's direct contribution to GDP and this has helped insulate the country from the full effect of fluctuating oil prices.

¶18. (U) Traditionally, oil revenues, along with careful management of investments, have helped the UAE avoid some of the budgetary problems encountered by other GCC states. The UAE has substantial foreign exchange reserves and the government has no foreign debt. There are no figures available for the amount of government assets held overseas, but many experts believe the Government of Abu Dhabi maintains \$200 billion to \$250 billion under the administration of the Abu Dhabi Investment Authority.

¶19. (U) The Emirate of Abu Dhabi, which finances the UAE's military expenditures, continues to build significant infrastructure, particularly in the power and water sector, where privatization and outsourcing efforts continue. Several large-scale projects, including the UAE Offsets Group's "Dolphin" project (to pipe Qatari Gas to Abu Dhabi and Dubai) and massive greenfield utility developments in Fujairah and Shuweihat in Abu Dhabi Emirate, are moving to execution.

AID, HUMANITARIAN ASSISTANCE

¶110. (U) The UAE continued its generous aid program in 2004 and 2005. In late 2004/early 2005, the UAE responded by providing emergency aid to the victims of the Asian tsunami. The UAE Red Crescent Authority (RCA) provided \$12 million in reconstruction assistance. The UAE Government gave donations of \$100 million and other government and semi-governmental bodies also provided assistance. As an example of reconstruction assistance, the RCA is currently building 400 housing units in Sri Lanka in coordination with the UN Development Program for victims of the tsunami.

ABU DHABI 00000288 004.2 OF 010

¶111. (U) In response to the Pakistan earthquake, the UAEG provided a \$100 million cash donation to the government of Pakistan and pledged another \$100 million at the Islamabad donors conference in November 2005. UAE organizations, including the armed forces, police, and the RCA, also provided significant in-kind assistance, including setting up field hospitals, sending search-and-rescue teams to both Pakistan and India, and treating earthquake survivors in UAE hospitals. The UAE military also provided an air bridge to ferry supplies to the victims of the earthquake.

¶112. (U) The UAE responded quickly to Hurricane Katrina by donating \$100 million in cash to the U.S. Government to help finance relief efforts.

¶113. (U) In 2004 and 2005, the UAE continued its support of the Palestinian people. Although comprehensive figures for the two years are not available, the UAE opened the \$62 million Sheikh Zayed City in May 2005. It pledged \$100 million in July 2005 to build Sheikh Khalifa City in the Gaza Strip to house 30,000 to 40,000 people. The UAE is working with the Palestinian Authority and UNRWA on this project. The UAE also helped rebuild the Jenin refugee camp and funded a new township in Rafah at a cost of \$29 million.

¶114. (U) UAE reconstruction projects in Afghanistan in 2005 included starting construction on Sheikh Zayed City in Kabul in order to provide basic needs for thousands of displaced Afghans, supervising the construction of a new university in the city of Khost, and other health and water supply projects.

DIRECT COST SHARING

¶115. (U) All figures in this report are in U.S. dollars. All UAE Dirham figures were converted at the rate of 3.66 Dirhams per one U.S. dollar.

RENTS

¶16. (C) The UAEG neither leases nor rents any privately owned land or facilities for use by U.S. forces.

LABOR

¶17. (C) The UAE hired laborers and funded construction work at al-Dhafra Air Base to upgrade facilities for use by U.S. forces. This included road-building, force protection fences, gates, utilities upgrade, and project site preparations. It is not possible to estimate the size of this work force or its cost to the UAE.

KATUSA LABOR

¶18. (U) N/A

UTILITIES

¶19. (C) Electricity, water and sewer were provided at no cost to the 380th Air Expeditionary Wing at al-Dhafra Air Base.

¶20. (U) The estimated figures are as follows:

For CY04: Electricity: \$585,000; Water: \$142,500
For CY05: Electricity: \$602,550; Water: \$146,775

FACILITIES

¶21. (U) In CY04, the UAE had costs associated with joint use of facilities of Gulf Air Warfare Center, including office space, ramp and hangar space, support shops, and ranges.
(Note: The UAE has estimated that the value of what they are

ABU DHABI 00000288 005.2 OF 010

providing is approximately \$10,000 per pilot, per course. The U.S. put three pilots in three classes in both 2004 and 2005, thus the UAE cost was estimated at \$90,000 per year. End note.) The UAE also offered free medical benefits to all Air Warfare Center participants, although U.S. personnel did not avail themselves of those services.

For CY04: \$90,000
For CY05: \$90,000

¶22. (C) In 2005, with land provided by UAE, the 380th Air Expeditionary Wing executed a \$47 million project (U.S.-funded) to build a 168,000-square-meter tank ramp that included 12 refueling hydrant pits. The ramp allows for a 2.7 million operational fuel storage capacity, significantly enhancing wing mission capabilities.

FACILITIES IMPROVEMENT PROGRAM

¶23. (U) In CY05, UAE provided \$500,000 in improvements to the tanker truck off-load facility compound at al-Dhafra. The improvements included new sunshades, concrete pad, asphalt paving and a new office building for fuels workers. The UAE also constructed an Air Defense Site boundary wall at a cost of \$1.9 million.

For CY05: \$2,400,000

RELOCATION CONSTRUCTION

¶24. (C) In CY05, UAE undertook a project at al-Dhafra Air Base to connect the temporary cantonment area to commercial utilities (electricity, water, and sewage). The project is scheduled for completion in March 2006. Upon completion, the AEW 380th will relocate from expeditionary facilities to more enduring modular buildings.

For CY05: \$8.5 million

VICINITY IMPROVEMENTS

¶25. (U) N/A

MISCELLANEOUS

¶26. (U) N/A

TOTAL OF DIRECT COST SHARING

¶27. (U) For CY04: \$ 817,000 (estimated)
For CY05: \$11,739,325 (estimated)

----- INDIRECT COST SHARING -----

RENTS

¶28. (C) Using a market value of land of 425 Dirhams/\$116 per square meter, the total value of land at al-Dhafra is:

Al-Dhafra Tent City:	364,282 sq meters	\$42,256,712
16-Bag Fuel Yard:	68,037 sq meters	\$7,892,292
Munitions Storage Area:	10,031 sq meters	\$1,163,596
Air Transport Ops Ctr:	15,449 sq meters	\$1,792,084
Tanker Town:	333 sq meters	
	\$38,628	
East Ramp:	163,471 sq meters	\$18,962,636
Tanker Ramp:	168,000 sq meters	
	\$19,000,000	
Air Defense Site:	1,030,046 sq meters	\$119,485,336

Total Basis for Rents for CY04: \$191,591,284

Total Basis for Rents for CY05: \$210,591,284 (tanker ramp was

ABU DHABI 00000288 006.2 OF 010

added in CY05)

FACILITIES

¶29. (C) The U.S. Navy has been provided a dedicated deepwater (14 meter) berthing space in the Jebel Ali Port Complex for the berthing of its aircraft carriers. Quay 9 (Piers 57-59) dredging was completed in December 2005 and the USS Theodore Roosevelt made the first port visit to the new site. The all new Oasis rest and relaxation area has been relocated here with significantly improved facilities compared to before. The vendor area is paved with asphalt to reduce dust from foot traffic. A new stage has been erected for performances and the vendors are all set up. The Entry Control Point is more easily controlled than before.

¶30. (U) As of December 2005, there have been U.S. Navy and Military Sealift Command ships in UAE ports for 1,410 total days during CY05. These figures are broken out below:

Jebel Ali: 848 ship days
128 different vessels

Fujairah: 514 ship days
51 different vessels

Other UAE ports: 48 ship days
12 different vessels

¶31. (U) During these visits there have been over 77,500 personnel enjoying liberty in Dubai. The UAE also provides an excellent range of liberty programs to ship personnel, many of whom visit Dubai as their first liberty port after completing extended combat duty in Iraq and Afghanistan. into and out of the region. The Port Liaison element has provided transportation to 3,200 personnel arriving to meet their ship or departing to proceed to their next duty station.

¶32. (C) The UAE has provided other invaluable support for OEF

and OIF, including the use of facilities in various locations. For example, the U.S. Navy was allowed to use the port of Fujairah, strategically situated on the Gulf of Oman, to offload supplies for transport by land to Dubai, rather than transiting the Straits of Hormuz. Additionally, 82 of the U.S. Navy's inshore boat units personnel are stationed here to provide ship escort to and from the pier facility prior to and after refueling and re-supply operations have been conducted.

¶33. (SBU) Estimated Value of UAE Forward Operation Bases:

For CY04: \$20,114,751 (estimated)

For CY05: \$20,114,751 (estimated)

TAX CONCESSIONS/CUSTOMS/TOLLS/DUTIES

¶34. (U) Fees and charges are for each of the reporting years (numbers in brackets indicate fees levied):

- Landing and cargo fees levied: (\$900,000)

- Port fees and cargo handling levied: (\$1,500,000)

- Taxes and customs duties waived: \$8,030,100

(Note: The number of cargos processed by the United States Liaison Office has increased from 1,090 in 2004 to 2,161 in 2005, and is estimated to exceed 3,000 cargos in 2006. End note.)

- Visa issuance charges levied: (\$4,000)

- Overflight authorizations waived: \$2,565,000

Total of waived taxes/customs duties, overflight authorizations:

For CY04: \$10,565,000

For CY05: \$10,565,100

ABU DHABI 00000288 007.2 OF 010

MISCELLANEOUS

¶35. (C) During every U.S. Navy aircraft carrier port visit, the Dubai police provide 24-hour police security presence at the Navy berth.

¶36. (U) Following the terrorist attack on the USS Cole in Yemen in October, 2000, the Dubai authorities increased security for U.S. Navy ship visits, providing boat patrols, EOD police dogs and UAE Naval and Coast Guard support, as well as the use of port facilities to support U.S. security detachment personnel observation posts and command center. Security requirements were increased at both Jebel Ali and Fujairah port and airport. Cost of security provided by UAE at these facilities:

For CY04: \$320,000 (estimated)

For CY05: \$350,000 (estimated)

¶37. (U) Note that while costs cannot be assessed, the UAE Port Authority provides emergency medical and fire fighting services at Fujairah International Airport and Jebel Ali Port. UAE Military Police are also provided at Fujairah International Airport.

¶38. (C) The UAE Air Force provided considerable security to the forces at the al-Dhafra Air Base through the infrastructure of the base, security personnel and U.S. manufactured HAWK missile batteries in the area.

¶39. (U) UAE Contributions to the Air Warfare Center (AWC): A joint CENTAF (USAF) and UAE Air Force and Air Defense Initiative to initially provide out of CONUS training for fighter units in the Gulf. UAE has contributed the main schoolhouse (\$8 million) to house the facility at al-Dhafra Air Base and is now providing additional funds (\$26 million) to upgrade other facilities and fill them with necessary furnishings and equipment.

Value of AWC Facilities provided:

For CY04: \$34 million

For CY05: \$34 million

TOTAL OF INDIRECT COST SHARING (WHERE CAPTURED)

140. (U) For CY04: \$ 256,621,135 (estimated)

For CY05: \$ 275,651,135 (estimated)

**CONTINGENCY OPERATIONS, HUMANITARIAN RELIEF OPERATIONS,
COUNTERPROLIFERATION**

CONTINGENCY OPERATIONS

141. (C) The UAE directly supported OEF with a deployment, begun in August 2003, of an approximately 200-man Special Operations Task Force currently operating out of Bagram Air Base, Afghanistan.

MILITARY ASSISTANCE

142. (U) N/A

HUMANITARIAN RELIEF OPERATIONS

143. (U) There is very little information publicly available on UAE spending, and only very general categories of spending are published by the UAE Central Bank. International humanitarian assistance is generally provided through one of three quasi-governmental charitable organizations: the Red Crescent Authority (RCA), the Zayed Charitable Foundation, or the Mohammed bin Rashid Charitable Trust. In 2004, RCA provided humanitarian assistance of approximately \$57 million

ABU DHABI 00000288 008.2 OF 010

to 300 countries. In the first half of 2005, the RCA provided about \$29 million in aid worldwide. Although total figures for the other two organizations are not available, the Zayed Charitable Foundation in May 2005 signed an agreement with the UNDP to provide \$1.5 million to fund the drilling of water wells in Niger. This was part of a \$15 million project to drill water wells in 10 African countries.

144. (U) One of the primary vehicles for administering the UAE's foreign aid program is the Abu Dhabi Fund for Development (ADFD), which was established in 1971 as an autonomous national development institution of the Government of Abu Dhabi. The ADFD had funded nearly 250 projects in a total of 56 countries since its inception. The ADFD also administers development assistance extended directly by the government of Abu Dhabi. The bulk of the assistance has been given to support the development of infrastructure, in the form of concessionary loans, grants, and direct investments. In 2005, the ADFD made two new loans: one to Jordan for approximately \$8 million to build a pediatric hospital in Amman, and one to Lebanon for approximately \$30 million to finance three water and drainage projects. Overall, the ADFD has provided about \$20 billion in development assistance since 1971.

CAPACITY-BUILDING

145. (U) N/A

COUNTERPROLIFERATION CONTRIBUTIONS

146. (U) During the first ever U.S./UAE Joint Military Commission in Abu Dhabi in January 2005, Assistant Secretary of Defense Rodman urged the UAE to endorse the principles of President Bush's Proliferation Security Initiative and to consider participation in future PSI activities. He said the UAE is a natural participant given its geography and strategic security concerns. Recalling that the U.S. already has suggested to the UAE that the two countries conclude a

PSI Shipboarding Agreement, Rodman said that such an agreement would be a way to cooperate on WMD proliferation. The UAE is studying whether to endorse PSI.

¶47. (U) In March 2005, the Container Security Initiative (CSI), became operational at Port Rashid and Jebel Ali in the Emirate of Dubai. CSI is aimed at screening shipping containers that pass through Dubai ports that are destined for the United States that pose a security threat. These examinations are conducted jointly with Dubai Customs officers. In addition, Dubai Customs has requested that each and every container that originates in Iran be designated for inspection by the CSI team.

¶48. (U) The U.S. and UAE agreed in October 2005 to establish a Counterproliferation Task Force that will permit a deepening and broadening of cooperative efforts to fight proliferation. The Task Force will meet annually, beginning in February 2006.

GROSS DOMESTIC PRODUCT

¶49. (U) UAE nominal GDP in 2004 was \$104 billion and preliminary reports for 2005 project a GDP of \$127 billion. The UAE Ministry of Planning projects a growth rate of 7 percent in 2005. This reflects a robust growth in oil prices and the non-oil sector.

DEFENSE EXPENDITURES: 2004-2005

¶50. (U) There has been no information published on the CY05 ABU DHABI 00000288 009.2 OF 010

defense budget. However, UAE defense expenditures for salaries and fixed costs average \$2 billion per year, and procurement varies according to program requirements and oil prices, according to informed sources.

¶51. (U) As part of the \$8 billion F-16 deal, the UAE is purchasing (via FMS) training, weapons and associated support amounting to \$1.5 billion. The first aircraft was delivered to the U.S. training base in December 2004 and then to the UAE base in May 2005. As of January 2006 they have taken delivery of 50 of the 80 F-16 Block 60 aircraft;

¶52. (C) The UAE completed upgrading its French Mirage fighter fleet and has purchased 32 additional 2000 Mirage-9 fighters. Most of the 32 Mirage 2000-9's were delivered in CY03. The contract for the new Mirages, unveiled in CY98, was \$3.2 billion. The deal to upgrade the 30 Mirage 2000-5 aircraft already in service is worth \$6 billion.

PROJECT OUTLAYS: 2005-2008

¶53. (U) The following are expected defense outlays for 2005-2008:

-- 8 Bell Agusta AB 139 helicopters, at an estimated cost of \$83 million;

-- Remanufacture of 30 Apache AH-64A helicopters to the AH-64D Longbow model, at an estimated cost of \$725 million;

-- 26 UH-60M Black Hawk helicopters for UAE Special Operations Command, at a value to be determined;

-- 1000 Javelin anti-armor missiles, at an estimated cost of \$118 million;

-- ATACMS (1000 rounds) and HIMARS (20 launchers), at an

estimated cost of \$850 million;

-- Negotiations are under way for the French to sell six patrol boats worth \$600 million;

-- 12 68-meter Baynunah Class Guided Missile Boats built in the UAE from a French design, programmed for delivery starting in 2007, and equipped with U.S. missile defense systems at an estimated cost of over \$200 million;

-- 6 CH-47A twin rotor heavy lift helicopters that could be used in special operations roles were acquired from Libya. The UAE Armed Forces is currently evaluating the upgrade of these air frames to CH-47F, at an estimated cost of \$180 million;

-- 1 130-meter ex-Kortenouaer Class Frigate currently under negotiation with the Netherlands;

-- As a follow-on to the F-16 case, the UAE is considering purchasing aerial refueling tankers, cargo aircraft, and airborne command and control platforms;

-- The UAE already is an extensive user of U.S. military training programs; most U.S. military training is paid via FMS cases worth over \$333 million.

DEFENSE PERSONNEL

154. (U) 62,000 active duty (no projections available for next five years); negligible numbers of committed reserves and civilians.

ABU DHABI 00000288 010.2 OF 010

POINT OF CONTACT

155. (U) Embassy Point of Contact is Joel Maybury, Political Officer

Voice: 971/2/414-2490
Fax: 971/2/414-2639
E-mail: MayburyJF@state.gov
Class: MayburyJF2@state.sgov.gov
SISON